

EXHIBIT R

Subj: **Re: REPLY FROM NICHOLAS SANDS... MARTINSON'S**
Date: 7/25/2006 2:37:19 PM Eastern Standard Time
From: lbernst@bu.edu
To: Sandsarts@aol.com

Bon appetit. We leave here on Monday.

L

Quoting Sandsarts@aol.com:

>
>
>
> Hi Len,
>
> If you are going to give it to Sotheby's, then please give it to Sotheby's.
> In any case I have already sold it for you... and I can tell you by name who
> will buy it (or at least be in the running).
>
> I am now running out myself to dinner, but look forward to speaking with you
> SOON.
>
> xox's,
> Nicky
>
>
>
> In a message dated 7/24/2006 10:57:30 AM Eastern Standard Time,
> lbernst@bu.edu writes:
>
> Hi Nick,
>
> Jane and I had a long talk over the weekend as I cannot take all this
> any longer. I have been too much pre-occupied with this and it enters
> my mind too often during the day. We have decided to end all
> discussions etc with all parties and have decided to go along with
> Sotheby's and put it up for auction. It's not that we don't love you or
> not appreciate your efforts and interest and will compensate you with a
> finders/agents/whatever fee based upon the final sale price which we
> realize may be less than what your client seems willing to pay. If your
> client has not been willing to accept the authenticity on face and that
> Tobias did so and that it was in the recent MFA show and is in the
> Catalogue Raisonne, then he may view and bid on it when it is up for
> auction. Please understand Nick, I need closure on this.
>
> Xs,
>
> Lenn
>
>
>
> Quoting Sandsarts@aol.com:
>
>>
>>
>> Dear Len,
>> I received another call on the Martinson's, and they are now asking to see
>> it. Can we please make arrangements to have it shipped here?? as we have
>> discussed?
>> I will cover all of the expenses (pickup, packing, crating, etc.), and the

Subj: RE: FROM NICHOLAS SANDS... MARTINSON'S
Date: 8/9/2006 8:50:54 PM Eastern Standard Time
From: lbbernst@bu.edu
To: Sandsarts@aol.com

Hi Nick,

Nice about Scott and wonderful for all to be able to help him celebrate.

Re the painting, we wanted to get this over and done with and I already signed agreement and had previously asked about guarantees for which there are some downside points and the buyer pays the commissions so that is not an issue. The only minor thing is how much they are going to insure if for when it is shipped to them. I am grateful for your interest and input on this. We are meeting with our Merrill Lynch team tomorrow with their expert about the mechanics etc of putting the painting in the trust.

We would love to have dinner with you here and to introduce you to Cheryl. What's with Naomi? Let me go over our schedule; we are in Santa Fe for the opera from 13th to 19th and in Toronto for a world meeting involving choices in dying from 6-10 Sept and in Trinidad from 28Sept to 16Oct (come down and visit us). The auction is 14Nov and we will be at the NY Hilton 14-16Nov and then visiting some cousins in Naples, FL 17-21Nov. One way or another I hope we can connect.

Xs,

Lenn

Leonard Bernstein D.M.D., M.P.H.
60 Babcock Street #95
Brookline, MA 02446-5920

-----Original Message-----

From: Sandsarts@aol.com [mailto:Sandsarts@aol.com]
Sent: Wednesday, August 09, 2006 1:08 PM
To: lbbernst@bu.edu
Subject: RE: FROM NICHOLAS SANDS... MARTINSON'S

Hey Len,

I am just back from Orlando, where I went to escape the sweltering New York heat and attend my brother Scott's 40th birthday party. It was a big family reunion with relatives flying in from all over the country, as we are all so grateful that Scott is still miraculously with us (as perhaps the oldest person in the world with Duchenne-type Muscular Dystrophy).

A thought just occurred to me regarding the Martinson's, and I thought that I would mention it to you...

As a result of my recent offering of the painting, and testing of the waters, I have a feeling that Sotheby's may approach you soon with an alternative or better offer than the one they originally made for your consignment (i.e. in terms of their guarantee, commissions, etc.). If that happens, and it may or may not, it could be a very good thing for you... and I will be happy to discuss it further when we speak.

In fact, I may be coming up to Boston in a few weeks, and would love to get together with you and Jane for dinner. (I am thinking I might also like to meet your friend Cheryl...)

Hugs,
Nicky xox

Nicholas J. Sands, President
Sands & Company Fine Art, Inc.
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New York, NY 10021
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sandsarts@aol.com

Message
Subj: RE: REPLY FROM NICHOLAS SANDS... MARTINSON'S INSURANCE
Date: 8/10/2006 7:28:11 PM Eastern Standard Time
From: ibernst@bu.edu
To: Sandsarts@aol.com

Thanks for the input Nick and the insurance issue has been to my complete satisfaction. Other issues have been covered to my satisfaction but I cannot legally discuss them with you. The painting goes out tomorrow morning and is in the same packaging that it arrived to me from the MFA.

Sorry to hear about Naomi but you have to do what is best for you. Women sometimes put a lot of pressure on to make someone make up their mind. Women cannot afford to wait around forever; men are marketable for a much longer time than women and they have to get on with their lives, in another direction if necessary. Re behavior, rationality and emotional responses are not always in tune.

Xs,

Lenn

Leonard Bernstein D.M.D., M.P.H.
60 Babcock Street #95
Brookline, MA 02446-5920

-----Original Message-----

From: Sandsarts@aol.com [mailto:Sandsarts@aol.com]
Sent: Thursday, August 10, 2006 6:34 PM
To: ibernst@bu.edu
Subject: REPLY FROM NICHOLAS SANDS... MARTINSON'S INSURANCE

In a message dated 8/9/2006 8:50:54 PM Eastern Standard Time, ibernst@bu.edu writes:

The only minor thing is how much they are going to insure if for when it is shipped to them. I am grateful for your interest and input on this.

If the estimate is \$2,000,000 to \$3,000,000 like you said, they might suggest insuring it at the reserve (\$1,700,000?), though I think they would be willing to insure it for the median of the estimate (\$2,500,000), which is standard in the trade. You might ask them for more, however (\$3,000,000?), saying that they themselves told you that their estimate was artificially low (in order to attract bidders) and does not reflect the work's true value as they expressed. I doubt that they would insure it for higher than that amount (\$3,000,000), as generally speaking, insurance companies will not insure a work for more than the price you are in fact willing to sell it for (i.e. the "consignment price").

Aside from the value, you should ask them not to charge you any insurance premium; they should waive that as well as all other miscellaneous fees (e.g. catalog illustration, risk of loss, etc.). Also, you should ask them to have their insurance company issue you a certificate of insurance directly, naming you (or your trust) as the sole "loss payee."

What about your own insurance company?... perhaps you may be better off having them insure the painting for you? (in which case you would issue Sotheby's a waiver of subrogation). I really don't know... as I do not know who your insurer is or the details of your policy; but if you would like, we can get some first-rate guidance from my own insurance specialist... David Genser in Boston.

There are many points to consider when insuring a work of art (e.g. "stated value" vs. "adjusted value,"

Message

"partial loss" vs. "total loss," etc.), but the main thing to remember is that the coverage must be "ALL RISK, DOOR-TO-DOOR" and include transit as well as stay (venue)... at multiple locations and with no expiration.

Has the painting already been picked up? If not, you may want to contact the conservation department at the MFA and have them do a thorough inspection and "condition report" for you* (as well as take some photographs, front and back) BEFORE the piece is shipped. That way, if the painting is later damaged (a one-inch scratchmark to the canvas, maybe?... which would require professional repair and also diminish the work's value), no one will be able to say that that damage pre-existed. I went through such an experience myself recently when I consigned a piece of furniture to an auction house, and a chunk of wood veneer chipped off during the pre-sale exhibition. The auction house's insurers tried to argue that the cabinet was delivered to the auction house in that same damaged condition... but I had photographs that proved otherwise.

Len, please do not hesitate to ask for my input on anything at all that might concern you, or let me know of any questions you may have about any aspect of your consignment, as this can be very complicated stuff and I would like to be as helpful to you and Jane as I can... making sure that everything goes well.

Speak to you soon,

xox,
Nicky

*They probably already have a condition report... (having prepared one when you lent them the painting and/or when they returned it to you); in which case they can just re-confirm it.

P.S. Thanks for asking about Naomi... who is now officially and sadly in my past. She was putting all kinds of pressures and making wild and emotional demands on me, and her behavior was becoming scary and out of control (did you ever see a movie called "Fatal Attraction"?). I just had to let her go, though it hurt me very deeply to do it (as well as my parents and others around me); but I really had no choice... and know that it was the right decision. xox

Subj: **PBS-Warhol**
Date: 8/28/2006 11:29:37 AM Eastern Standard Time
From: lbernst@bu.edu
To: sandsarts@aol.com

FYI Nick, Jane tells me that PBS is doing a TV series on Warhol in September.

Lenn

Leonard Bernstein D.M.D., M.P.H.
60 Babcock Street #95
Brookline, MA 02446-5920

Subj: (no subject)
Date: 9/1/2006 2:03:22 PM Eastern Standard Time
From: lbernst@bu.edu
To: sandsarts@aol.com

Re Trinidad, does that mean you can visit us between 28Sept and 16Oct?

Leonard Bernstein D.M.D., M.P.H.
60 Babcock Street #95
Brookline, MA 02446-5920

Subj: (no subject)
Date: 10/24/2006 10:49:05 AM Eastern Standard Time
From: lbernst@bu.edu
To: sandsarts@aol.com

Hey guy,

How did you make out in London?

Hugs,

Lenn

Leonard Bernstein, DMD, MPH
60 Babcock Street #95
Brookline, MA 02446-5920
617-734-7739

Subj: RE: REPLY...
Date: 10/24/2006 3:08:06 PM Eastern Standard Time
From: lbernst@bu.edu
To: Sandsarts@aol.com

Sorry you had to buy them yourself but it should be good inventory. I have not seen the catalogue yet.

Re dinner etc, we will not be sitting in the room but in a private one as we wish to remain anonymous if we can. Re dinner, two of my financial advisor team are coming to NYC with us and going to the auction and they want to have dinner with us that evening. We are staying over the next day and can have dinner with you and Nick on the 15th. Tobias is making a res for us at his favorite restaurant which I assume we will be able to increase to four.

Xs,

-----Original Message-----

From: Sandsarts@aol.com [mailto:Sandsarts@aol.com]
Sent: Tuesday, October 24, 2006 10:55 AM
To: lbernst@bu.edu
Subject: REPLY...

In a message dated 10/24/2006 10:49:05 AM Eastern Standard Time, lbernst@bu.edu writes:

How did you make out in London?

Hugs,
Lenn

I did not get the result I had hoped for, which was for someone to outbid me and pay a very high price (and thereby strengthen the value of my collection). Instead, I had to purchase the artwork myself... for around \$200,000.

I received the November 14th catalog and the Martinson looks fine, and you got the back cover of the catalog also, which is good. They made the Martinson the first of all the Warhols in the sale, which may or may not be good (I would somehow rather have seen it placed second or third, but maybe they had to do it that way for chronological reasons). I note that they did not mention the recent MFA exhibition, which was curious. In any case I have my fingers crossed that the painting will do just fine, and look forward to talking to you more about that soon.

Are we sitting together during the auction and having dinner (hopefully celebratory) afterwards? Big Nick will be in town and I am sure would love to see you; I already have tickets, probably in the first 10 to 15 rows, as I expect to be bidding on a few things myself that night.

xxx
Nicky

P.S. I was interviewed yesterday for an article in the Wall Street Journal that will come out in early December... will be sure to send you a copy.

Nicholas J. Sands, President
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sandsarts@aol.com

Subj: **Warhol**
Date: 11/5/2006 11:16:31 AM Eastern Standard Time
From: lbernst@bu.edu
To: jclymer@nixonpeabody.com, jeffrey_ferrante@ml.com, matt_santangelo@ml.com,
Bernard_kavanaugh@ml.com, sandsarts@aol.com

Go to www.sothebys.com and look at interview with Tobias Meyer.

Lenn

Leonard Bernstein, DMD, MPH
60 Babcock Street #95
Brookline, MA 02446-5920
617-734-7739

Subj: REPLY FROM NICHOLAS SANDS... Re: Warhol
Date: 11/5/2006
To: ibernst@bu.edu

In a message dated 11/5/2006 11:16:31 AM Eastern Standard Time, ibernst@bu.edu writes:

| Go to www.sothbys.com and look at interview with Tobias Meyer.

| Lenn

Ok, Len... will go and take a look.

By the way, of the many fine art trade journals I receive from around the world every month (noting "auction previews," "highlights," etc.), I was surprised not to see the painting mentioned anywhere. Did Sotheby's feature it in their pre-auction press release?... and if so, did they send you a copy?

Also, I think I may have forgotten to confirm dinner with you on the 15th as you mentioned... are we still on? I certainly hope so, and Big Nick will be in town and would love to see you and Jane also.

I look forward to seeing the painting this week when I go to the preview, and pray that it will do well for you. In addition to the client who would have bought it from me, I can think of at least four or five other buyers whom I expect will be bidding; and whoever does buy it, I am sure that I will know them by name.

Looking forward to seeing you soon...

Hugs,
Nicky xox

P.S. Will you be staying at the Sheraton again?... or somewhere else this time?

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Subj: RE: REPLY FROM NICHOLAS SANDS... Re: Warhol
Date: 11/12/2006 9:51:29 AM Eastern Standard Time
From: lbernst@bu.edu
To: Sandsarts@aol.com

Hi Nick,

He made the res for 7:30. They are on 19th St. Call them and see if they can make it for 4 at 8:30. Meanwhile I will e-mail Tobias and ask him if he can change it. Otherwise, can we do lunch?

Re the print, thank you for the offer but please , I respectfully and with appreciation decline. I already spoke to her and her name is Susan Forster. She is an art historian and does appraisals.

Re praying, you had me worried for a minute. Re "praying for patients", a short while ago a study was published concerning a large sample of hospital patients. ~1/3rd were a control group, ~1/3rd had people praying for them but the patients were not told and ~1/3rd had people praying for them and they were so informed. The results were that there was no difference between the control group and the group not told. However, the group told had slightly worse medical outcomes. This all goes to prove that nothing fails like prayer.

Re the article, good advice and nice they are quoting you.

See you hopefully soon.

Xs,

Lenn

-----Original Message-----

From: Sandsarts@aol.com [mailto:Sandsarts@aol.com]
Sent: Saturday, November 11, 2006 6:52 PM
To: lbernst@bu.edu
Subject: REPLY FROM NICHOLAS SANDS... Re: Warhol

Hey Len, sorry for the late reply as I have been tied up with the Impressionist and Modern Art auctions of the past week...

In a message dated 11/6/2006 11:55:07 AM Eastern Standard Time, lbernst@bu.edu writes:

Tobias is making a res for Jane and I at Crafts which I assume I will be able to increase to 4.

That sounds great, and do you think we can make it at around 8:30 or so?... just after the auction at Christie's? Also, do you know the address?

I may be able to buy an Electric Chair print from a friend near us for about 4K. Does that seem a reasonable price? She has a friend whose husband died and has 4 of them. I mentioned you to her as a person to contact re selling.

So why don't I be the one to buy it, and then just keep it there for you and Jane to enjoy?... as a gesture of thanks for all the kindness that you have shown me? Re price of \$4,000, I have not really followed the Warhol print market lately, and am not that up on the prices, but I suppose that \$4,000 sounds reasonably okay... provided the prints are in good condition, and not damaged or faded. Perhaps I might even buy the other three prints from your friend, just to have them on hand... please just have her contact me.

P.S. Praying is a waste of time and good brain cells as it has no effect.

I didn't mean "praying" literally (and I couldn't agree with you more!)... only as a figure of speech and good wishes, that's all.

I look forward to seeing you next week, and on Tuesday night at Sotheby's, even though you will be with other people, please look for me in Row 12(Seat L-17) from your skybox... where I expect to be sitting per my ticket. If you call me on my cell phone (917-741-5000), I can at least look up at you and wave...

In the meantime, I hope you enjoy a preview of the news article below, which is an excerpt from a larger article that will appear in the Wall Street Journal in a couple of weeks... which they sent me a few days ago to review, as I had to sign off on it and confirm I made those statements.

Hugz xx,
Nicky

Buying Art at Auction

By Abigail R. Esman

It would seem, in this e-Bay age, that buying at auction would have become almost a basic skill, like walking. But it's not quite like that, especially when it comes to buying from any of the major auction houses. And while auction buying is a learned skill, there are aspects to buying art from reputable houses such as Sotheby's or Christie's or Phillips that can benefit any art lover - especially those new to collecting.

"Take advantage of the viewings," advises New York private art dealer Nicholas Sands, a familiar figure - and frequent buyer - at the major modern and contemporary sales in New York and London. "You have the specialists at your beck and call, who are there just to answer your questions. So ask. Pick their brains. Even if you don't buy, you'll learn a lot. "But," he adds, "whatever they tell you, follow up on it. Do your own research."

Sands notes that buying at auction is only one option. Working through private dealers or galleries offers a discretion and privacy auction sales can't provide. As he puts it, "the world doesn't know what you've bought, or the exact amount that you paid."

Sands offers this auction advice, hard won through first-hand experience. "Always be sure to pull your paddle down quickly after a bid," he says. "Otherwise, the auctioneer may acknowledge your bid, then look away, and in a split second quickly look back at you - thinking you have bid one again because your paddle is still in the air." This is exactly what happened to Sands while bidding on a million-dollar Twombly at auction some years ago. Fortunately, he was soon outbid - but, says Sands half jokingly, "it's one auction moment I'll never forget."

Subj: (no subject)
Date: 11/12/2006 11:59:30 AM Eastern Standard Time
From: lbernst@bu.edu
To: sandsarts@aol.com

All set for Wed at 8:30 at craft's.

Leonard Bernstein, DMD, MPH
60 Babcock Street #95
Brookline, MA 02446-5920
617-734-7739

Subj: RE: (no subject)
Date: 11/13/2006 12:28:30 PM Eastern Standard Time
From: lbernst@bu.edu
To: Sandsarts@AOL.COM

Sorry dad will not join us and friend is okay. First prize is one day in Tulsa and second prize is two days in Tulsa.
My cell is 617-320-1083, Jane's is 617-320-1083.

-----Original Message-----

From: Sandsarts@AOL.COM [mailto:Sandsarts@AOL.COM]
Sent: Monday, November 13, 2006 12:04 AM
To: lbernst@bu.edu
Subject: Re: (no subject)

In a message dated 11/12/2006 11:59:30 AM Eastern Standard Time, lbernst@bu.edu writes:

All set for Wed at 8:30 at craft's.

Ok... see you there.

Dad regrets he cannot make it, also, as he has to fly to Tulsa, Oklahoma (of all places!). I will either come myself, or perhaps bring a friend... would that be ok?

Also, do you have a cell phone number? If not, please kindly remember to bring mine with you... 917-741-5000.

Nicholas J. Sands, President
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sandsarts@aol.com

Subj: RE: FROM NICHOLAS SANDS... "BONNE CHANCE"!!!
Date: 11/14/2006 8:09:50 AM Eastern Standard Time
From: lbernst@bu.edu
To: Sandsarts@aol.com

Thanks Nick, we love you.

-----Original Message-----

From: Sandsarts@aol.com [mailto:Sandsarts@aol.com]
Sent: Monday, November 13, 2006 10:19 PM
To: lbernst@bu.edu
Subject: FROM NICHOLAS SANDS... "BONNE CHANCE"!!!

Lenn, as it is doubtful that we will see or speak to each other tomorrow before your big night, I just wanted to send this note to you and Jane and wish you great success with the sale of your painting. I hope you get the full price you are expecting and so very richly deserve, great man and true caring friend (you and Jane both) that you are... with luck and great brain cells on your side.

I am a great believer in "luck," in the sense that it is the residue of hard work; and as I remember you and a friend of yours once said to me when we had dinner at Coco Pazzo (74th & Madison) a few years ago, "chance favors the prepared mind."

So once again please have a great night!!!!... and see you both on Wednesday.

With love,
Nicky

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